

## Message Text

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PAGE 01 STATE 032727

44

ORIGIN EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 AEC-11 AID-20 CEA-02

CIAE-00 CIEP-02 COME-00 DODE-00 FEA-02 FPC-01 H-03

INR-10 INT-08 L-03 NSAE-00 NSC-10 OMB-01 PM-07 RSC-01

SAM-01 SCI-06 SPC-03 SS-20 STR-08 TRSE-00 NEA-11 /178 R

DRAFTED BY REP/ELEANOR CARSON

APPROVED BY REP/BEBYRON

EB/IFD/OMA:GPBALABANIS

TREASURY:TLEDDY

EB/IFD/OMA:JKRIZAY

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P 191822Z FEB 74

FM SECSTATE WASHDC

TO AMEMBASSY BERN PRIORITY

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

UNCLAS STATE 032727

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: WORLD MONETARY AND TRADE RELATIONSHIPS C-ER-4-  
57864

DECEMBER OIL PRICE INCREASES HAVE INJECTED A NEW  
DEGREE OF UNCERTAINTY INTO WORLD MONETARY AND TRADE  
RELATIONSHIPS. CONCERN OVER PAYMENTS AND TRADE BALANCES  
MAY CAUSE COUNTRIES TO REFORMULATE THEIR POSITIONS ON  
SOME ISSUES IN REFORM NEGOTIATIONS. PLEASE REPORT  
ANY SPECIFIC INDICATIONS, NOT ALREADY REPORTED, OF  
RECENT CHANGES IN HOST COUNTRY VIEWS OR POLICY POSITIONS  
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PAGE 02 STATE 032727

ON THE SUBJECTS LISTED BELOW AND PROVIDE REFERENCES

TO RECENT RELEVANT REPORTS.

1. FUTURE LEVEL OF CURRENCIES RELATIVE TO OTHER  
EUROPEAN CURRENCIES AND THE DOLLAR. (ALL STATIONS)

2. THE EXTENT TO WHICH GOVERNMENT IS WILLING TO SPEND

OR ABSORB RESERVES TO MAINTAIN PRESENT CURRENCY RATES .  
WITH WHICH CURRENCIES GOVERNMENT CONSIDERS IT MOST  
IMPORTANT TO MAINTAIN PRESENT RATES AND ACCEPTABLE  
RANGE FOR THOSE CURRENCIES. (ALL STATIONS)

3. POSITION RELATIVE TO PROPOSALS FOR INTERNATIONAL  
RULES FOR FLOATING BEING DISCUSSED IN C-20. (ALL  
STATIONS)

4. EXTENT TO WHICH GOVERNMENT MAY USE MONETARY POLICY  
TO ENCOURAGE DOMESTIC INDUSTRY TO BORROW ABROAD. (ALL  
STATIONS)

5. GOVERNMENT THINKING REGARDING SELLING, PURCHASING,  
OR USING GOLD IN SETTLEMENT OF CENTRAL BANK TRANSACTIONS  
AT OTHER THAN OFFICIAL PRICE. (ALL STATIONS EXCEPT  
TOKYO)

6. CONCRETE STEPS TAKEN OR CONTEMPLATED TO REDUCE  
IMPACT ON CURRENCY AND TRADE RELATIONSHIPS OF THE OIL  
PRICE RISE. (ALL STATIONS)

7. GOVERNMENT ATTITUDES ON PROPOSALS FOR RECYCLING  
OIL REVENUES AND SPECIAL FINANCIAL ARRANGEMENTS TO  
MITIGATE IMPACT OF INCREASED OIL PRICES ON LDCS.  
(ALL STATIONS)

8. REPLY BY 22 FEBRUARY 1974 REQUESTED. PLEASE CITE  
C-ER-4-57864 IN REPLY. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM PRODUCTS, FOREIGN POLICY POSITION, PRICES, BALANCE OF PAYMENTS, CURRENCY CONTROLS, FINANCIAL PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** ELEANOR CARSON  
**Enclosure:** n/a  
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**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
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**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
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**Review Date:** 08 MAR 2002  
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**Subject:** WORLD MONETARY AND TRADE RELATIONSHIPS C-ER-4- 57864  
**TAGS:** EFIN, SZ, BE, UK, FR  
**To:** BERN MULTIPLE  
**Type:** TE  
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